

---

---

# HOUSE CONCURRENT RESOLUTION

APPROVING THE SALE OF THE LEASED FEE INTEREST IN 593 KULIOUOU  
ROAD, HONOLULU, HAWAII.

1           WHEREAS, Section 171-64.7, Hawaii Revised Statutes,  
2 requires the prior approval of the Legislature by concurrent  
3 resolution to sell certain state lands in fee simple; and  
4

5           WHEREAS, section 171-64.7(c), Hawaii Revised Statutes,  
6 states that "[t]he concurrent resolution shall contain the  
7 following information:

- 8           (1) The specific location and size in square feet or in  
9           other precise measure of the parcels of land to be  
10           sold or given;
- 11           (2) The appraisal value of the land to be sold or given;
- 12           (3) The names of all appraisers performing appraisals of  
13           the land to be sold or given;
- 14           (4) The date of the appraisal valuation;
- 15           (5) The purpose for which the land is being sold or given;
- 16           (6) A detailed summary of any development plans for the  
17           land to be sold or given; and
- 18           (7) A statement of whether the land is, or is not, land  
19           that was classed as government or crown lands previous  
20           to August 15, 1895, or was acquired by the State in  
21           exchange for such lands, and a detailed explanation of  
22           how the state department or agency made this  
23           determination.

24           A draft of the concurrent resolution for the prior approval  
25 of a sale or gift of land shall also be submitted to the office  
26 of Hawaiian affairs at least three months prior to the convening  
27 of a regular or special session of the legislature to allow the  
28 office to determine whether the land was classed as government  
29 or crown lands previous to August 15, 1895, or was acquired by  
30 the State in exchange for such lands"; and  
31

1 WHEREAS, pursuant to section 171-64.7(e), Hawaii Revised  
2 Statutes, prior to finalizing any proposal for the sale or gift  
3 of lands and prior to the submission of the concurrent  
4 resolution to the Legislature, an informational briefing on the  
5 proposed sale or gift of lands shall be held in the community  
6 where the land to be sold or given is located; and

7  
8 WHEREAS, the Hawaii Housing Finance and Development  
9 Corporation (the "Corporation") desires to sell the leased fee  
10 interest in 593 Kuliouou Road, Honolulu, Hawaii, and provides  
11 the following information pursuant to section 171-64.7, Hawaii  
12 Revised Statutes:

- 13 (1) The parcel is a single family home that is part of the  
14 Kau Hale o Kuliouou project built in 1980 and is  
15 identified as a 5,139 square foot parcel, TMK No. 1-3-  
16 8-16-57;
- 17 (2) The leased fee interest in this parcel was appraised  
18 to have a fair market value of \$228,700;
- 19 (3) The parcel was appraised by Harlin Young & Co, Ltd.;
- 20 (4) The appraisal valuation date is July 1, 2011;
- 21 (5) The primary purpose for the sale of this parcel is to  
22 convey the leased fee interest to its current  
23 leasehold owner and the owner's lease agreement  
24 included the right to purchase the leased fee interest  
25 in the land;
- 26 (6) There is no development plan for this unit, which is a  
27 single family residence; and
- 28 (7) As of August 15, 1895, the parcel was a portion of the  
29 Government (Crown) Land of Kuliouou; the Corporation's  
30 predecessor agency, the Hawaii Housing Authority,  
31 acquired title to the property through Grant No. S-  
32 15,528, dated December 12, 1980; and the determination  
33 was made by a search of the title records for this  
34 parcel by Title Guaranty of Hawaii on July 27, 2011;  
35 and

36  
37 WHEREAS, pursuant to section 5(f) of the Admission Act,  
38 "the development of farm and home ownership on as widespread a  
39 basis as possible for the making of public improvements" is an  
40 expressly authorized purpose of the ceded lands inventory; and

41  
42 WHEREAS, the Corporation duly submitted a draft of the  
43 Concurrent Resolution to the Office of Hawaiian Affairs on  
44 October 3, 2011, more than three months prior to the opening day  
45 of the Regular Session of 2012; and

1  
2 WHEREAS, the Corporation duly conducted a public  
3 informational briefing on the sale of this parcel on August 10,  
4 2011, at the Niu Valley Intermediate School cafeteria, Honolulu,  
5 Hawaii, following publication of notice of the briefing in the  
6 Honolulu Star-Advertiser newspaper on August 4 and 7, 2011; and  
7

8 WHEREAS, no objection to the proposed sale was received at  
9 the public informational briefing; now, therefore,  
10

11 BE IT RESOLVED by the House of Representatives of the  
12 Twenty-sixth Legislature of the State of Hawaii, Regular Session  
13 of 2012, the Senate concurring, that the sale of the leased fee  
14 interest in 593 Kuliouou Road, Honolulu, Hawaii, TMK No. 1-3-8-  
15 16-57, is hereby approved; and  
16

17 BE IT FURTHER RESOLVED that a certified copy of this  
18 Concurrent Resolution be transmitted to the Executive Director  
19 of the Corporation.  
20

21  
22 OFFERED BY: Calvin K. Soy  
23  
24 BY REQUEST

JAN 23 2012

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: CONCURRENT RESOLUTION APPROVING THE SALE OF THE LEASED FEE INTEREST IN 593 KULIOUOU ROAD, HONOLULU, HAWAII.

PURPOSE: To seek the prior approval of the Legislature by concurrent resolution of the sale of the leased fee interest in 593 Kuliouou Road, Honolulu, Hawaii, TMK No. 1-3-8-16-57, to its current leasehold owner.

MEANS: Concurrent resolution pursuant to section 171-64.7, Hawaii Revised Statutes.

JUSTIFICATION: HHFDC is seeking legislative approval to sell the leased fee interest in 593 Kuliouou Road to its current leasehold owner.

The property at 593 Kuliouou Road is a single family home built in 1980 as part of the Kau Hale o Kuliouou affordable for-sale development. Only 4 lessees remain out of the 197 homes in the development.

The long-term leases in that development included a clause giving the lessees the right to purchase the leased fee interest in their land. The fair market value of the leased fee interest in 593 Kuliouou Road was determined to be \$228,700 as of July 1, 2011, by HHFDC's appraiser, Harlin Young & Co, Ltd.

A title search conducted by Title Guaranty of Hawaii on July 27, 2011, determined that as of August 15, 1895, the parcel was part of the Government (Crown) Land of Kuliouou, and that HHFDC's predecessor agency, the Hawaii Housing Authority, acquired title to it through Grant No. S-15,528, dated December 12, 1980.

Pursuant to section 5(f) of the Admission Act, promotion of home ownership is an express public purpose of the ceded lands inventory.

HHFDC conducted a public meeting on the proposed sale on August 10, 2011, at Niu Valley Intermediate School, Honolulu, Hawaii, following publication of notice in the Honolulu Star-Advertiser newspaper on August 4 and 7, 2011. There was no objection to the proposed sale raised at that time.

HHFDC has also worked closely with the Office of Hawaiian Affairs during the interim to keep them informed of these findings and intent to sell the leased fee interest in this parcel.

Impact on the public: Minimal.

Impact on the department and other agencies: Minimal.

GENERAL FUND:

None.

OTHER FUNDS:

The sale proceeds will be deposited into the Dwelling Unit Revolving Fund to support the development and construction of additional affordable housing units.

PPBS PROGRAM  
DESIGNATION:

BED 160.

OTHER AFFECTED  
AGENCIES:

Office of Hawaiian Affairs.

EFFECTIVE DATE:

Upon adoption.